



**CITY OF LODI  
COUNCIL COMMUNICATION**

**AGENDA TITLE:** Adopt Resolution Awarding the Revised Bid for the Purchase of White Slough Water Pollution Control Facility Telephone System Replacement from AT&T (SBC), of Stockton, under the Terms of the State of California CALNET Contract (\$58,155.76); and Appropriate Funds

**MEETING DATE:** February 21, 2007

**PREPARED BY:** Public Works Director

**RECOMMENDED ACTION:** Adopt a resolution awarding the revised bid for the purchase of the Public Works Department White Slough Water Pollution Control Facility (WSWPCF) telephone system replacement from AT&T (SBC), of Stockton, under the terms of the competitively-bid State of California CALNET contract and appropriate additional funds.

**BACKGROUND INFORMATION:** The existing telephone system is old and subject to frequent failures. Replacement parts have become difficult to obtain. On May 3, 2006, City Council adopted Resolution No. 2006-72 authorizing the purchase of equipment and service necessary to replace the existing telephone system at WSWPCF for the amount of \$44,000.00; however, during this time, the supplier of system hardware (Nortel) discontinued its support of key components of the overall system originally proposed. The vendor (AT&T) was therefore forced to revise the specification and pricing. The WSWPCF telephone replacement and integration with the City's core telephone systems has been re-quoted at \$58,155.76. Staff has obtained extensive pre-sales engineering and design at no cost and a revised informal quote from AT&T (SBC) under the State's CALNET CNT-01 contract. During the past seven years, City Council has approved staff to make purchases for several communications projects from AT&T (SBC) under the terms of the State of California competitively-bid CALNET contract; most particularly, Council Resolution Nos. 99-53, 99-106, and 2001-220. The CALNET agreement has been written with a refresh clause that ensures the State (and the City) will get the lowest prices for goods and services during the term of the contract. The CALNET contract will end in 2008.

*[CALNET Contract wording] Section 17 ANNUAL SERVICE REVIEW*

*For the purpose of maintaining competitiveness throughout the term of this Agreement, Contractor agrees to a joint review of its pricing and service functionality, and marketing efforts annually to ensure State and its customers will receive cost and technologically competitive services throughout the terms of the Agreement. Contractor agrees that no other customer of Pacific Bell and MCI, collectively or as individual companies, will receive better rates for a substantially similar suite of services offered under substantially similar terms and conditions when the volume of business from the other customer is equal to or less than the volume of business the State delivers under this Agreement.*

*Revised: Amendment No. 1 - 12/4/98*

APPROVED:

Blair King, City Manager

Lodi Municipal Code allows the use of other competitively-bid service contracts.

**LMC §3.20.045 STATE AND LOCAL AGENCY CONTRACTS**

*The bidding process described in this code may be waived when advantageous for the city, and authorized by the city manager for purchase of supplies, equipment or contractual services awarded in accordance with formally adopted bidding or negotiation procedures approved by the governing boards of other California public agencies. Purchases or contracts in excess of twenty thousand dollars shall require the approval of the city council. (Ord. 1763 § 2 (part), 2005)*


As stated above, the existing telephone system is old and subject to failures, and replacement parts have become difficult to obtain. Upgrading the telephone system will result in the WSWPCF and the Civic Center having the same network, telephone, and voicemail functionality. The replacement of the WSWPCF telephone system is also needed to allow the facility to connect to the City's main telephone PBX switch over a single point-to-point T1 data circuit, thus eliminating the existing 56Kb/s data circuit and replacing multiple off-premises telephone extension circuits. The shared T1 circuit will significantly increase data transfer speeds while reducing the ongoing monthly circuit costs for both telephone and wide area network data communications. The difference between the contract amount and the total estimated project cost is to allow for contingencies associated with unforeseen changes in the work.

<b>ITEMS:</b>	WSWPCF voice system includes new Nortel BCM50 and required upgrades to the core Nortel Meridian Option11c telephone PBX and network equipment to facilitate T1 link	Hardware	\$33,588.15
		Installation	\$11,305.11
		Programming/configuration	\$5,756.17
		Training	\$1,612.80
		Maintenance	\$2,594.74
		Sub-Total	\$54,856.97
		Tax on hardware	\$2,603.08
		Estimated shipping	\$695.71
		<b>Total</b>	<b>\$58,155.76</b>

**FISCAL IMPACT:** There will be a slight reduction in ongoing circuit costs and equipment maintenance costs.

<b>FUNDING AVAILABLE:</b>	Total Contract Amount:	\$58,155.76
	Original Budgeted Amount (172503):	\$46,200.00
	Additional Appropriation (Sewer Fund):	<u>\$18,000.00</u>
	Total Estimated Project Cost:	\$64,200.00

  
Kirk Evans, Budget Manager

  
James R. Krueger  
Deputy City Manager

Prepared by Mark White, Information Systems Coordinator, and Del Kerlin, Wastewater Treatment Superintendent

JRK/CMW/pmf

cc: Steve Schwabauer, City Attorney

Charles Swimley, Water Services Manager

Del Kerlin, Wastewater Treatment Superintendent

Steve Mann, Information Systems Manager

2/15/2007

RESOLUTION NO. 2007-26

A RESOLUTION OF THE LODI CITY COUNCIL AWARDING THE  
REVISED BID FOR THE PURCHASE OF THE WHITE SLOUGH  
WATER POLLUTION CONTROL FACILITY TELEPHONE  
SYSTEM FROM AT&T (SBC), OF STOCKTON, UNDER THE  
TERMS OF THE STATE OF CALIFORNIA CALNET CONTRACT,  
AND FURTHER APPROPRIATE FUNDS

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WHEREAS, the existing White Slough Water Pollution Control Facility (WSWPCF) telephone system is old, is subject to failures, and replacement parts have become difficult to obtain; and

WHEREAS, on May 3, 2006, the City Council adopted Resolution No. 2006-72 authorizing the purchase of equipment and service necessary to replace the existing telephone system at WSWPCF for the amount of \$44,000.00; and

WHEREAS, since the adoption of Resolution No. 2006-72, the supplier of the system hardware (Nortel) discontinued its support of key components of the overall system originally proposed, which has forced the vendor (AT&T) to revise the specification and pricing; and

WHEREAS, the WSWPCF telephone replacement and integration with the City's core telephone systems has been re-quoted at a cost of \$58,155.76. Staff has obtained extensive pre-sales engineering and design at no cost and a revised informal quote from AT&T (SBC) under the State's CALNET CNT-01 contract; and

WHEREAS, the CALNET agreement has been written with a refresh clause that ensures that the State (and the City) will get the lowest prices for goods and services during the term of the contract, which expires in 2008; and

WHEREAS, upgrading the WSWPCF telephone system will allow staff to be on the same system as the Civic Center, with the same network, telephone, and voicemail functionality. The replacement of the WSWPCF telephone system is also needed to allow the facility to connect to the City's main telephone PBX switch over a single point-to-point T1 data circuit, thus eliminating the existing 56Kb/s data circuit and replacing multiple off-premises telephone extension circuits. The shared T1 circuit will significantly increase data transfer speeds while reducing the ongoing monthly circuit costs for both telephone and wide area network data communications; and

WHEREAS, pursuant to Lodi Municipal Code §3.20.045, "State and Local Agency Contracts," the bidding process may be waived when it is advantageous for the City, with appropriate approval by the City Manager and City Council, to use contracts that have been awarded by other California public agencies, provided that their award was in compliance with their formally-adopted bidding or negotiation procedures; and

WHEREAS, staff recommends purchasing the telephone system replacement from AT&T (SBC), of Stockton, under the terms of the State of California CALNET contract at a cost not to exceed \$58,155.76.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby award the revised bid for the purchase of the WSWPCF telephone system replacement from AT&T (SBC), of Stockton, under the terms of the State of California CALNET contract at a cost not to exceed \$58,155.76; and

BE IT FURTHER RESOLVED that an additional \$18,000.00 be appropriated from the Sewer Fund for this project.

Dated: February 21, 2007

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I hereby certify that Resolution No. 2007-26 was passed and adopted by the City Council of the City of Lodi in a regular meeting held February 21, 2007, by the following vote:

AYES:	COUNCIL MEMBERS – Hansen, Hitchcock, Katzakian, Mounce, and Mayor Johnson
NOES:	COUNCIL MEMBERS – None
ABSENT:	COUNCIL MEMBERS – None
ABSTAIN:	COUNCIL MEMBERS – None

  
RANDI JOHL  
City Clerk